

# LISKOW & LEWIS

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March 14, 2006

Honorable James H. Welsh  
Commissioner of Conservation  
Office of Conservation  
P. O. Box 94275  
Baton Rouge, LA 70804-4275

Re: Saratoga and Annona Chalk, Reservoir A  
Sabine Chalk Series, Reservoir A  
Pendleton-Many Field  
Sabine Parish, Louisiana

Dear Commissioner Welsh:

Application is hereby made on behalf of **EOG RESOURCES, INC.** for the calling of public hearings, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the Sabine Chalk Series, Reservoir A, in Pendleton-Many Field, Sabine Parish, Louisiana:

1. To dissolve all units in the Pendleton-Many Field, Sabine Parish, Louisiana, previously established for the Saratoga Chalk and Annona Chalk in the 593 Series of Office of Conservation Orders, insofar as they cover lands in the South Half of Section 13 and the North Half of Section 24, Township 7 North, Range 12 West, and thereby overlap the proposed unit mentioned in Item 2 below.

2. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of oil and gas from the Sabine Chalk Series, Reservoir A, in the Pendleton-Many Field, in Sabine Parish, Louisiana, said unit to be designated SAB RA SUA, as shown on the plat attached hereto and made a part hereof.

3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.

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4. To authorize special field spacing rules for future horizontal wells drilled to the Sabine Chalk Series, Reservoir A, in Pendleton-Many Field, which would provide: (a) that the penetration point and terminus of any lateral of any such horizontal well should be located no closer than 330 feet to any unit boundary; (b) that the distance from any point along the productive portion of any lateral and those unit boundaries which run generally parallel to the direction in which the laterals are drilled should not be less than 660 feet; and, (c) that there be no well spacing limitations between wells other than that accomplished by application of the aforesaid provisions.

5. To provide that future horizontal wells drilled to the Sabine Chalk Series, Reservoir A, in Pendleton-Many Field, be given an allowable based on the maximum efficient rate (MER) of the well, being the maximum sustainable daily withdrawal rate from the reservoir which will permit economical development and reservoir depletion without causing waste in accordance with the provisions of Statewide Order No. 151-A-2 (LAC 43:XIX.3701-3709).

6. To provide that the Commissioner of Conservation should be authorized to reclassify the reservoir by supplemental order without the necessity of a public hearing if the producing characteristics of such reservoir changes and evidence to justify such reclassification is submitted to and accepted by the Commissioner of Conservation.

7. To consider such others matters as may be pertinent.

The Sabine Chalk Series, Reservoir A, in Pendleton-Many Field, is hereby defined as being that oil and gas bearing formation encountered between the depths of 3,198 feet and 3,716 feet (electrical log measurements) in the Kinsey Interests-Marlin Fish; Lucius No. 1 Well, located in Section 34, Township 7 North, Range 10 West, Sabine Parish, Louisiana.

Pertinent data, including well logs, may be obtained **AT THE COST OF THE REQUESTING PARTY** from Louis Gilbert & Associates, 3636 North Causeway Blvd., Ste. 204, Metairie, Louisiana, 70002, Telephone Number (504) 836-6393.

Pursuant to the Revised Rules of Procedure, a pre-application conference was held on March 13, 2006, in Lafayette, Louisiana, at which the parties named on the attached list were in attendance. The conference was opened by representatives of the applicant. Questions were asked and answered. No counterplans were presented, and no opposition was expressed. The conference was then adjourned.

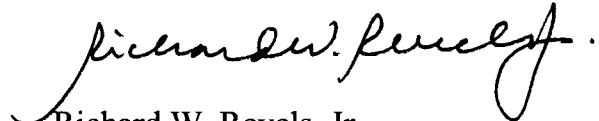
Attached hereto and made a part hereof are a plat outlining the applicant's proposal, the conference attendance list along with the list of the names and addresses of

March 14, 2006

the Interested Owners, Represented Parties, and Interested Parties to whom a copy of this application is being mailed. Pursuant to the Revised Rules of Procedure, such plat (being the same plat attached to the pre-application notice dated February 21, 2006) and list of parties are being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the plat and/or list of parties will be furnished to any party requesting copies. A reasonable effort was made to ascertain the names and addresses of all Interested Owners, Represented Parties and Interested Parties.

Finally, enclosed is our check in the amount of \$1,510.00 on behalf of the applicant made payable to the Office of Conservation representing the hearing application fee.

Very truly yours,



Richard W. Revels, Jr.

RWRjr/dbf  
Attachments

cc: Mr. James Broussard, Shreveport District Office of Conservation  
cc: Interested Owners, Represented Parties and Interested Parties

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